



# ACQUISITION OPPORTUNITY

Infrastructure Contractor  
Location: Southern Ontario, Canada

CAD2.8 Million Revenue  
CAD579,000 EBITDA

## BUSINESS DESCRIPTION

The Company is a well known and highly reputable competitor in a niche sector of the Central Canadian infrastructure marketplace. Founded in 1975, the Company was once focused on larger fixed price contracts which resulted in significant yearly fluctuations in margins and required a large administrative overhead. Management made the decision in 2016 to

shift its focus onto smaller time-and-material jobs wherein they experience less competition, lower risk, require less overhead, and make higher margins. This transition was completed in 2018 and has been very successful as evidenced in profitability thereafter. The Company operates from a leased location, owns all of its equipment, and employs 7 long tenured full-time professionals with access to union workers as needed.

The customer base is composed of a mix of public and private companies, running the spectrum from municipal entities to educational institutions to privately held businesses across many industries. The Company prides itself in its record of repeat business due to first-in-class customer service. The ability to always answer yes to customer requests and be where and when they're needed is paramount and positions this business uniquely. The Company is service focused and will go to great lengths to deliver what the customer needs.

Although the Company has not aggressively marketed its services, a substantial opportunity exists to leverage the business platform for growth. Overall, the Company's rich history, premium service, niche focus, and sterling customer list yield robust prospects for future profitability and growth.

## INVESTMENT HIGHLIGHTS

- **Longevity** – The Company operates within a defensible niche of the Central Canadian infrastructure contracting sector. It has thrived for 45 years due to its experienced team, niche focus, strong client relationships, and ability to tightly control quality of work. Longevity yields a well-known name, strong reputation, and status as the “first call” for a desirable list of clients – this has enabled the Company to be a bonded and pre-qualified contractor for several municipalities, as an example.
- **Asset Base** – The Company owns all of its equipment and has capacity for significant future growth. This allows the Company to control its own destiny and reduce dependence on others. Inventoried items are fully stocked and available in house. The asset base illustrates the strong financial wherewithal of the business.
- **Niche Market** – The Company focuses on a profitable niche within its sector of the infrastructure marketplace. As mentioned, management recently de-focused the business from large fixed price contracts to smaller time-and-material work with the sizeable advantages previously denoted. The ability to be nimble with client requests is key and the effect on margins and profitability is obvious. The business is also recession-proof given the essential nature of the infrastructure it services.
- **Experienced Team** – The Company has an experienced management team who is available after the divestiture. All key people are long tenured with the Company, yielding continuity and high levels of skill and knowledge. Strong client relationships and customer service are key.
- **Growth Potential** – The Company offers exciting growth potential. The current owners have not aggressively marketed their services given the list of existing customers. A new owner can leverage the Company's strong reputation by marketing its best-in-class services to other customers and unpenetrated geographies. The owned equipment base has significant unused capacity which makes this business easily scaleable.

### CONTACT:

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